MINUTES UTAH STATE LPG BOARD November 19, 2004

BOARD MEMBERS PRESENT

Lynn Froerer	Chair, LP Gas Board
Jim Johnson	LP Gas Board Member
Edward Martin	LP Gas Board Member
Kevin Eldridge	LP Gas Board Member
Boyd Cook	LP Gas Board Member
Tom Clark	LP Gas Board Member
Jay Downs	LP Gas Board Member

STAFF PRESENT

Brent Halladay	State Fire Marshal's Office
Margo Densley	State Fire Marshal's Office
Ron Gustaveson	State Fire Marshal's Office
Hugo Rico	State Fire Marshal's Office
Mel Milgrom	State Fire Marshal's Office

PRESENT

Cheryl D. Luke	Assistant Attorney General
Chad Brown	Freeway Propane Bret
Steel	SS Supply Inc. Richard
Burgston	Pacer Utah LP Gas

Meeting began at 10:00 AM at the Murray City Hall with Chairman Lynn Froerer presiding.

Item #1 on the agenda was Board meeting called to order and welcome to all by Chairman Lynn Froerer. Chairman Froerer welcomed all the Board members and audience to the Board meeting.

Item #2 on the agenda was the introduction of new and reappointed Board Members. Chairman Froerer introduced himself and Board members Kevin Eldredge, Jim Johnson, and Edward Martin and introduced and welcomed new Board members Tom Clark, Boyd Cook, and Jay Downs. Chairman Froerer explained that in the first Board meeting of next year a new Chairman and Vice Chair will be elected.

Item #3 on the agenda was reading and approval of the July 16, 2004 Board meeting minutes. Chairman Froerer asked for any additions or corrections. Kevin Eldredge made the motion to approve the minutes as written and Edward Martin seconded the motion. All Board members voted in favor.

Item #4 on the agenda was a report by Ron Gustaveson of the activities of the division and monies collected. Ron distributed a report to the Board on the activities of the division and Brent Halladay of the Fire Marshal's Office explained that the total collections as of October 31, 2004 were \$30,876.88. This is on track due to the fact that our collections are heavier in the Spring. Brent explained that this year the Office of Planning and Budget is requiring the Fire Marshal's Office to bring in \$236,000 in dedicated credits. This is accomplished through our LP Gas program, Portable Fire Extinguisher program, Fire Suppression program, Fireworks program, and Automatic Fire Sprinkler program. Last year we brought in just under \$190,000 which left a \$40,000 defect. This defect comes out of our budget and we have to somehow make it up. However, this year the Department of Public Safety has convinced the Department of Planning and Budget to drop our requirement to \$186.000. This will help our budget next year.

Item #5 on the agenda was a report to the Board by Brent Halladay seeking approval to send a letter to all distributors on the installation of "wet legs" on privately set containers. Brent recommended that item #5 be placed with item #8 for discussion. Chairman Froerer and the Board agreed.

Item #6 on the agenda was an update to the Board by Hugo Rico on the test installation installed at Sundance Resort with regard to cathodic protection of below grade containers. Hugo Rico, Fire Marshal's Office, reported to the Board that nothing has been resolved on the 18,000 gallon container at the Sundance Resort. This 18,000 gallon container which is at the entrance of the Sundance Resort does not reach the -.85 reading for safety. This tank may have to be removed from the ground to check its cathodic protection. This would be very expensive. However, as an experiment a 500 gallon underground tank was installed with the new cathodic protection which involves the coupons and the soil access tubes. Suburban Propane, Propane Equipment and Supply, Alma Richie of Utah Pipeline Safety as well as Dr. Wayne Downs, Engineer at Brigham Young were involved with this project. This tank will need to be in the ground for approximately six months before accurate readings can be taken. Readings will be taken on this experimental tank by a computer to see if the cathodic protection is operating properly. These readings will be taken every hour of every day. Hugo stated that if this experiment works out we would like to implement this new cathodic protection into future installations of under ground tanks in the State of Utah. Hugo explained that this process has been used successfully by the Federal Government throughout the nation for some time. Brent explained that because of the increase in tanks that are being installed below grade in the State, we should look at monitoring this new cathodic protection process. This process would be less expensive than removing tanks to check their safety. Hugo explained that in NFPA 58, Section 3.2.24, Corrosion Protection it states, "All metallic equipment and components that are buried or mounded shall be coated or protected and maintained to minimize corrosion. Corrosion protection of all other materials shall be in accordance with accepted engineering practice." Much discussion was held on this matter. Bret Steel, SS Supply Inc. suggested that these cylinders in question be emptied and checked from the inside to measure the thickness of the tanks. Hugo stated that he would look into this method of checking for the credibility of the containers and report back to the Board. Jim Johnson of the Board suggested that this issue be addressed in depth so that the Board can require an industry standard that is appropriate.

Item #7 on the agenda was a presentation to the Board by Brent Halladay on the proposed change to remove NFPA 58, Section 2.3.1.5, Exception No.1, which allows industrial truck service, forklift truck cylinders, and industrial welding and cutting gases cylinders to not install Overfill Protection

Devices (OPD). Brent asked the Board members to refer to their NFPA 58, 2001 edition. NFPA 58, Section 2.3.1.5 states that if you have a cylinder from 4 to 40 pounds it has to have an Overfill Protection Device (OPD) valve on it. However exception #1 states that all cylinders used in industrial truck service including forklift truck cylinders and cylinders identified and used for industrial welding and cutting gases are exempt from the OPD requirement. Brent asked members of the Board if they wish to leave this rule as is, or if they wish to amend this rule to include that all industrials would be required to have an OPD. Brent explained that the Fire Marshal's Office has been approached on this matter. Chairman Lynn Froerer stated that the Board likes to stay as close to the National Standard as possible. After discussion on this matter it was decided to leave the National Standard OPD requirement rule as written in NFPA 58.

Item # 8 on the agenda was a final presentation to the Board by Brent Halladay of any significant additions or deletions with regard to the proposed adoption of NFPA 58, Liquified Petroleum Gas Code, 2004 edition. Brent stated that due to the proposed changes in Utah State Fire Marshal's Laws, Rules and Regulations, R710-6-1.1, if the Board agrees, as of January 15, 2005, we would cease using the NFPA Standard 58, 2001 edition, and use the NFPA Standard 58, 2004 edition. Brent stated that there are many changes in the 2004 edition that the Board should be made aware of. Brent read over and explained the changes and additions in this book to include changes in the rules as well as changes in the style of the book. Brent also explained that there are some other proposed changes to the R710-6 rules to include some reference changes as well as on containers. R710-6-8.6.3 and NFPA, Standard 58, Section 5.2.1.5 is amended to add the following section: "(a) Repairs and alterations shall only be made by those holding a National Board "R" Certificate of Authorization commonly known as an R Stamp." R710-6-8.6.4 and NFPA, Standard 58, Section 6.6.3 is amended to add the following section: 6.6.3.9 Skid mounted ASME horizontal containers greater than 2000 water gallons, with non-fire-proofed steel mounted attached supports, resting on concrete, pavement, gravel or firm packed earth, may be mounted on the attached supports to a maximum of 12 inches from the top of the skip to the bottom of the container. In R710-6-8.6.6 and NFPA, Standard 58, Section 6.6.1.2 is amended to add the following: "When guard posts are installed they shall be installed meeting the following requirements: 8.6.6.1 Constructed of steel not less than four inches in diameter and filled with concrete. 8.6.6.2 Set with spacing not more than four feet apart. 8.6.6.3 Buried three feet in the ground in concrete not less than 15 inches in diameter. 8.6.6.4 Set with the tops of the posts not less than three feet above the ground." Also, for exchange cabinets next to doors in R710-6-8.6.7 and NFPA, Standard 58, Section 8.4.1.1(1) is amended as follows: "On line one remove "5ft (1.5m)" and replace it with "10ft (3m)". In R710-6-8.4, All LP Gas containers that are in use as a dispensing system, and not intended for public dispensing, shall be inspected at least biannually for compliance with the adopted statute and rules. Discussion was held on these changes and additions to the rules including comments by Cheryl D. Luke, Assistant Attorney General. Edward Martin made a motion for the Board to adopt all of the rule changes except R710-6-8.4. Jay Downs seconded the motion and the Board voted in favor. Brent suggested that a letter be sent out to the LP Gas distributors addressing the problem of the installation of "wet legs" on privately owned dispensing systems. Brent asked the Board for a motion to send this letter out. Jim Johnson made the motion and Edward Martin seconded the motion. The Board voted in favor of this letter.

Item #9 on the agenda was Old Business. Jim Johnson asked Brent about a list of people that were qualified to install propane gas piping. Brent explained that this would be a list of those having an HVAC Certificate of Registration. Brent suggested that this list be put on the Fire Marshal's Web

Page. Also, Brent distributed a news letter to the Board in which it states that Kansas has passed a Propane Safety & Registration Act. Brent explained that the state of Kansas has placed some language in this act which states that the marketer can not be held at fault if the customer changed or altered the system after it was installed. Brent explained that the Propane Association and former Senator Cornaby have been lobbying to get a law similar to this passed for the State of Utah. Richard Burgston, Pacer Utah LP Gas explained that a Sub Committee led by Senator Eastman is sponsoring a Bill that would be similar to the one in the State of Kansas. Brent explained that the Board can not testify that the bill should be passed, but the Fire Marshal's Office would be happy to testify of the Safety Act and what it has done to benefit the State of Utah.

Item #10 on the agenda New Business. Kevin Eldridge of the Board asked what kind of a relationship the LP Gas Board has with the Weights and Measures people. Kevin stated that when the Weights and Measures people visited Garkane Energy to do some testing on their Bobtails and Dispensers, there seem to be some frustration with the way things were being handled. Discussion was held on this matter. Brent suggested that Hugo Rico go visit with the people in the Weights and Measures Office to find out what kinds of concerns they have and bring the information back to the Board.

Item #11 on the agenda was next meeting date and time. It was decided that March 11, 2005 at 10:00 A.M. would be the next meeting date at the Murray City Hall. Jim Johnson made a motion to adjourn the meeting and Kevin Eldridge seconded the motion. Chairman Lynn Froerer adjourned the meeting.